

STATE OF NEW JERSEY
Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement

In the Matter of the Petition of DGMB
Casino, LLC for Approval of Transfer
of Promotional Gaming Credits

ORDER
PRN 2761101

Whereas, by PRN 2761101, DGMB Casino, LLC (DGMB Casino) seeks approval from the Division of Gaming Enforcement (Division) of the transfer of promotional gaming credits (PGCs) from Resorts International Hotel, Inc. (RIHI) to DGMB Casino pursuant to *N.J.S.A. 5:12-144.2* and *N.J.A.C. 19:54-1.11(b)* and proposed *N.J.A.C. 13:69L-1.11(b)*; and

Whereas, pursuant to an asset purchase agreement, DGMB Casino acquired the assets of Resorts casino hotel (Resorts) on December 7, 2010; and

Whereas, until December 7, 2010, RIHI was a casino licensee and the manager of Resorts' casino operations; and

Whereas, until December 7, 2010, RIHI was a participating casino operator pursuant to *N.J.A.C. 19:54-1.2*, proposed *N.J.A.C. 13:69L-1.2* and the Purse Enhancement Agreement (PEA) dated August 13, 2008 by and between the New Jersey Sports and Exposition Authority (NJSEA) and the Casino Association of New Jersey for the benefit of the horse racing industry;

Whereas, as a participating casino operator and based on its share of installment PEA payments made from the effective date of the PEA through May 15, 2010, RIHI was

entitled to a deduction of PGCs from its gross revenue taxes, pursuant to the provisions of *N.J.S.A. 5:12-144.2*, *N.J.A.C. 19:54-1.2*, -1.6 and -1.11 and proposed *N.J.A.C. 13:69L-1.2*, -1.6 and -1.11; and

Whereas, as of December 7, 2010, RIHI ceased gaming operations at Resorts and thus RIHI is permitted pursuant to *N.J.A.C. 19:54-1.11(b)* and proposed *N.J.A.C. 13:69L-1.11(b)* to request that the Division approve a transfer and assignment of its rights to allocation and deduction of PGCs to another casino operator; and

Whereas, RIHI, as holder of the PGCs, consents and does not object to the transfer and assignment of its rights to allocation and deduction of the PGCs to DGMB Casino; and

Whereas, RIHI did not submit its share of two installment PEA payments due to the NJSEA on August 14, 2010 and November 15, 2010 totaling \$728,700, and such delinquency has not been cured by RIHI to date; and

Whereas, DGMB Casino proposes to pay the two installment payments due to the NJSEA on August 14, 2010 and November 15, 2010 on behalf of RIHI, in the total amount of \$728,700; it is hereby

ORDERED, that the transfer to DGMB Casino of any eligible PGCs to which RIHI was entitled up to December 7, 2010 is approved; and it is further

ORDERED, that DGMB Casino's request to pay the \$728,700 due to the NJSEA on behalf of RIHI for PEA installment payments due on August 14, 2010 and November 15, 2010 is approved, and that such \$728,700 payment shall be made by DGMB Casino to the NJSEA in five (5) installment payments of \$145,740 each, by no later than 5:00 p.m. on the following dates: October 11, 2011, October 17, 2011, October 24, 2011, October 31, 2011, and November 7, 2011; and it is further

ORDERED, that pursuant to DGMB Casino's payment of the delinquent PEA installments owed by RIHI, DGMB Casino shall be entitled to any eligible PGCs to which RIHI would have been entitled had RIHI's share of the PEA installment payments due August 14, 2010 and November 15, 2010 been timely made; and it is further

ORDERED, that failure of DGMB Casino to comply with the approved installment payment terms set forth above shall automatically void this Order in its entirety.

Dated: October 7, 2011

David Rebeckhoff
DAVID REBUCK
ACTING DIRECTOR